BRITISH COLUMBIA
The Best Place on Earth

BC Stats

Infoline

Contact: bcstats.infoline@gov.bc.ca Issue: 08-48 November 28, 2008

- **Retail sales up 1.0% in September; unchanged in third quarter**
- **Visitor entries rise 11.5% in September**
- **Farm cash receipts increase 4.2% in third quarter**

The Economy

- **Retail sales in British Columbia inched ahead 1.0% (*seasonally adjusted*) in September following two consecutive months of declines.** For the first time since March, stronger sales were registered by new car dealerships (+10.5%) and, along with a modest (+2.5%) increase in sales at gasoline stations, accounted for the lion's share of the 6.0% jump in sales within the automotive sector. An increase of 1.0% was also posted by the food & beverage sector, likely as a result of the rapid climb in food prices since the beginning of 2008. Clothing & accessories retailers (-5.4%) experienced a substantial decrease while sales at general merchandise stores dipped 0.6% in September.

  Nationally, retail sales had its strongest showing in eight months, rising 1.1% in September. Gains were widespread with all provinces recording increased retail activity. The largest gains were registered in Quebec (+2.3%) and Nova Scotia (+2.1%). BC's increase (+1.0%) placed it seventh among the provinces, ahead of New Brunswick (+0.8%), Ontario (+0.4%) and Saskatchewan (+0.1%).

  Data Source: Statistics Canada & BC Stats

- **Visitor entries to Canada via BC increased for the first time in seven months, rising 11.5% (*seasonally adjusted*) in September.** There were 17.3% more American travelers, with the number of both overnight (+21.5%) and same-day (+9.7%) visits up sharply. The number of overseas travelers fell 2.7% as a result of fewer entries from European (-2.5%), Asian (-2.0%) and other (-4.2%) countries.

  Data Source: Statistics Canada & BC Stats

- **Sales at BC's food service and drinking establishments were up 0.6% (*seasonally adjusted*) in September.** While total receipts at the province's drinking places were virtually unchanged from the previous month, revenues at restaurants and other food service businesses increased 1.5%. Nationally total food service and drinking place receipts were up 0.8%. *Data Source: Statistics Canada & BC Stats*

Third Quarter in Review

- **Total retail sales (*seasonally adjusted*) in British Columbia remained virtually unchanged between the second and third quarters of 2008.** Gains were made at pharmacies (+4.1%) and in the general merchandise sector (+1.7%). However the automotive sector was off 0.5% as lower sales at new (-4.1%) and used (-1.9%) car dealerships offset a rise (+4.0%) in sales at gasoline stations, partly driven by higher prices.

  Nationally, retail sales were up 0.8% in the third quarter of 2008 with much of the increased business being centred in Atlantic Canada. Newfoundland & Labrador (+3.8%), Nova Scotia (+2.6%), New Brunswick (+2.6%) and PEI (+1.4%) all registered substantial gains while Manitoba (+0.3%), Alberta (+0.1%) and BC (0.0%) saw little to no significant increases in retail sales.

  Data Source: Statistics Canada & BC Stats

- **Market receipts of BC farmers from the sale of crops and livestock as well as subsidies and other direct payments were $63.1 million (*seasonally adjusted*) in the third quarter of 2008, up 4.2% from the previous quarter.** Cash receipts for crops dipped 1.8%

Report Small Business in B.C. Continues to Prosper

Did you know ..
In 2006, 45.8% of farming operations in British Columbia reported using a computer for farm business, compared to 40.1% in 2001.

Data Source: Statistics Canada

largely due to a 24.8% drop in floriculture receipts. At the same time, livestock receipts jumped ahead 10.7% with receipts for cattle (+18.1%), hens & chickens (+18.1%) and dairy products (+10.5%) all showing marked increases since the second quarter.

Data Source: Statistics Canada & BC Stats

Labour Market Trends

- **Many Canadians who 'retire' from paid employment subsequently return to the labour force making retirement more of a process over time rather than a discrete event.** This process, termed 'bridge employment', whereby a worker, formally retired from their career, chooses to remain a part of the workforce, is a growing phenomenon in the Canadian labour market. The proportion of individuals aged 50 to 69 years in bridge employment has grown from 7.9% in 1999 to 9.7% in 2004. However, as the baby-boomer generation continues to age, and thereby substantially increasing the sheer number in this demographic cohort, the actual number of people in bridge employment has increased dramatically from 461,000 in 1999 to 654,000 in 2004, a jump of more than 40%.

  Those most likely to enter into bridge employment rather than simply retiring in the traditional sense (i.e. ceasing all paid employment) include those who have university degrees or had an employee-sponsored retirement plan. Those living in smaller communities and rural areas were also more likely to enter bridge employment compared to those who lived in large urban centres. Health considerations did not have any significant impact on the decision to engage in bridge employment indicating that the choice is more of a personal one rather than an economic necessity. *Data Source: SC Catalogue no. 75-001-X*

Education

- **Academic achievement in mathematics among nine-year-olds is positively linked to school readiness tests that evaluate knowledge and ability to copy numbers and symbols as they enter school at age five.** Students that scored high for knowledge and use of numbers and symbols at age five were more likely to have higher mathematics scores at age nine than those who scored low for knowledge of number and symbols. Interestingly, while girls typically outperformed boys slightly on knowledge and use of numbers and symbols at age five, the difference did not carry over into mathematical achievement when these children reached the age of nine. In absolute terms, children from very low income households scored somewhat lower than those in high income households in mathematics. The difference, however, was not considered statistically significant. *Data Source: SC Catalogue no. 11-001-XIE*

The Nation

- **Canada's current account surplus with the rest of the world plunged 31.2% (*seasonally adjusted*) between the second and third quarters of 2008.** The reduction can be mostly attributed to a lower goods surplus and a downturn in foreign direct investment earnings by Canadians. *Data Source: Statistics Canada*

- **The Industrial Product Price Index (IPPI) remained virtually unchanged in October.** This was due to contracting prices for petroleum and coal products being offset by the falling value of the Canadian dollar. The drop in prices for petroleum and coal products was the strongest since September 2006 while the decline in the value of the Canadian dollar was the largest since 1950.

  BC softwood lumber prices rose 3.6% with increased prices for both Coastal (+4.7%) and Interior (+3.2%) lumber. Prices for wood pulp jumped 5.5%, the strongest increase since April 2000. Similarly, newsprint prices surged 11.5% higher in October.

  Data Source: Statistics Canada

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November 28, 2008

For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

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Originally published in
Business Indicators Issue 08-10

Small Business in B.C. Continues to Prosper

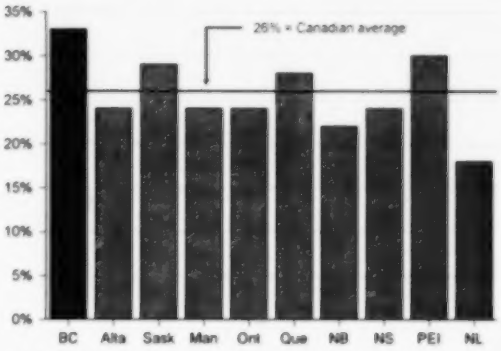
In view of recent buzz over the state of the economy and with the 2010 Olympics Games just around the corner, it is especially interesting to look at how small businesses fare in the province.[1] The small business sector remains a key instrument of job creation and economic sustainability in British Columbia. It is the primary source of private sector jobs in the province, reflecting an ongoing trend toward economic diversification. It is also a vital source of innovation—approximately 96% of high technology businesses in BC are small businesses.

A business is defined as a small business if it is either:

- **A business with fewer than 50 employees**
- **Operated by a self-employed person with no paid help**

In 2007, British Columbia's small business accounted for a third (33%) of provincial GDP, the highest of all provinces and well above the Canadian average (26%). This indicates that small business plays a more significant role in the provincial economy in British Columbia than it does in other parts of the country.

BC ranked first among provinces in terms of proportion of GDP generated by small business



Source: BC Stats

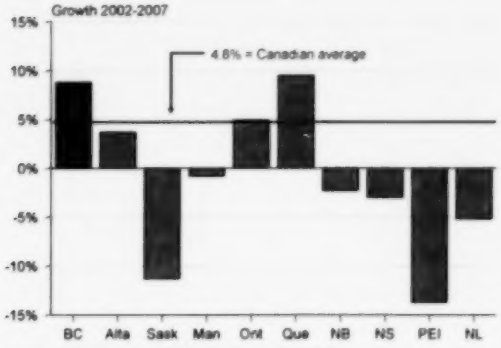
Small business continues to grow in BC

British Columbia recorded a total of 386,600 businesses in 2007, of which 98 per cent (379,700) were small businesses. Nearly 57 per cent of all businesses in the province were operated by self-employed people with no paid employees, while less than 55 per cent of all Canadian businesses were comprised of such individuals. In 2007, the total number of small businesses operating in British Columbia increased 2.4 per cent over the previous year. This marked the sixth consecutive year of growth and the largest increase since 2003. Small businesses with employees (+0.4 per cent) and businesses run by unincorporated self-employed individuals without paid help (+4.0 per cent) both grew in number.

[1] This article is a summary of a larger report; Small Business Profile 2008, which is available online at www.bcstats.gov.bc.ca

British Columbia has been a national leader in small business growth over the past five years. From 2002 to 2007, the number of small businesses in the province soared by 8.8 per cent, surpassing the Canadian growth average of 4.8 per cent and second only to Quebec, at 9.5 per cent. Ontario, with 4.9 per cent growth, was the only other province to exceed the national average while six provinces showed declines.

B.C. is the leader in small business growth

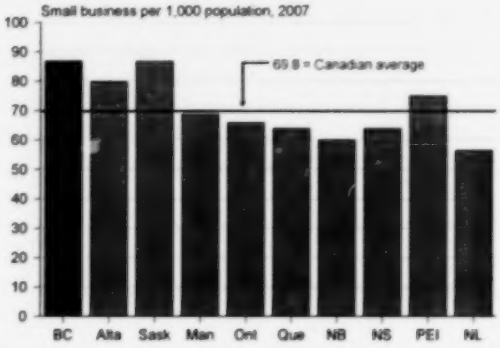


Source: BC Stats using data supplied by Statistics Canada

Small business is more prevalent in the West

On a per capita basis, small businesses are more common in Western Canada than in the rest of the country. After surpassing Alberta for the first time in 2005, the province held its second place rank in 2006. In 2007, British Columbia ranked first among the provinces with 86.7 small businesses per 1,000 people, edging out long-time leader Saskatchewan (86.6). British Columbia and Saskatchewan were followed by Alberta (79.7) in per capita small businesses last year and the only other province to exceed the Canadian average of 69.8 small businesses per 1,000 people was Prince Edward Island, at 74.8.

Western Canada generally has more small businesses per capita



Source: BC Stats using data supplied by Statistics Canada

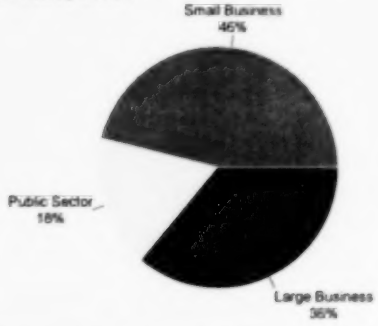
Nearly half of working people in BC work in small business

Small businesses in British Columbia are engaged in a range of activities—from "mom and pop" diners, to small lumber milling operations, to self-employed online marketing consultants. Most small businesses fall within the service sector with the largest concentration in the business services industry. Business services, which include occupations such as market researchers and lawyers, contains over 21 per cent of all British Columbian small businesses, followed by wholesale and retail trade with 11 per cent.

In 2007, approximately 1,048,000 jobs in British Columbia were in small businesses. This accounts for nearly half (46 per cent) of the province's total employment (2,266,300), which represents a slight decrease in the share of jobs derived from small business in 2006 (47 per cent). In 2007, British Columbia led the nation in terms of the percentage of total private sector jobs derived from small business. The rankings show British Columbia with just over 56 per cent private sector employment from small business, marginally ahead of Prince Edward Island. Saskatchewan ranked third, at 55 per cent, followed by Newfoundland and Labrador, at 53 per cent. The national average across Canada

was approximately 50 per cent with Ontario reporting the least dependence on small business for private sector employment, at 46 per cent.

Almost half the jobs in BC are in small business, 2007



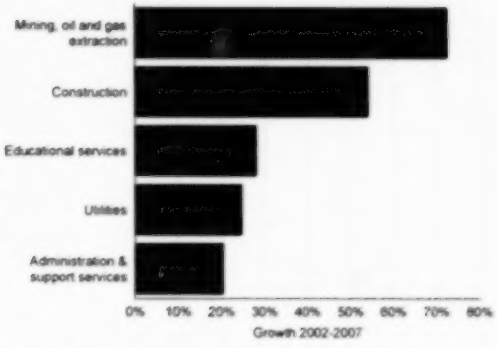
Source: BC Stats using data supplied by Statistics Canada

Between 2006 and 2007, small business employment in British Columbia rose 2.5 per cent, slightly above the Canadian average of 2.4 per cent. Nova Scotia reported the largest increase, at 3.9 per cent. The only other provinces with growth rates exceeding that of the nation as a whole were Alberta, at 3.5 per cent, Quebec, at 3.1 per cent and Ontario, at 2.5 per cent. The province's steady rise in construction of both housing and other projects in British Columbia, though tempered since 2005, continues to play a role in the growth in small business employment and is likely to continue during preparations for the 2010 Winter Games.

Construction maintains lead in job creation

With an impressive employment increase of 54.1 per cent, the construction industry was the largest provider of new small business jobs in British Columbia between 2002 and 2007. As a result of the recent building surge in the province, a whopping 29,630 new jobs were created in this industry over the five year period. The business services sector also added a substantial number of new jobs, increasing its employment by 14.9 per cent and creating nearly 13,000 new jobs. In terms of growth rates, the mining, oil and gas extraction industry recorded the most notable increase over this period with a 72.5 per cent surge in employment. Perhaps partly as a result of the intensified overseas demand for copper, zinc, aluminium, nickel and other nonferrous metals—particularly from China and India—approximately 1,805 new jobs were created in this industry over the five-year period.

Small business employment: fastest growing industries, 2007



Source: BC Stats using data supplied by Statistics Canada

Self employment continues to expand

In British Columbia's work force, the proportion of "self-employed"—individuals who spend most of their working hours running their own businesses—has remained strong and relatively stable over the past five years. Last year, self-employment accounted for 18.8 per cent of total employment, virtually unchanged from 2006. This was well above the national share of 15.5 per cent.

In 2007, the overall number of self-employed workers in British Columbia rebounded following a slight dip of -0.5 per cent in 2006. The drop was likely due to a tight economy and labour shortages that drew many self-employed workers into the employee workforce. However, from 2006

to 2007, self-employment growth in the province amounted to 2.8 per cent, or approximately 11,600 workers.

Last year, the number of self-employed without paid help was more than double that of self-employed with paid help. British Columbia's self-employment growth trend was strongest among the self-employed without employees, which increased 27.7 per cent between 1997 and 2007. This contrasts sharply with the slower growth trend in the number of self-employed with hired help, which grew 5.3 per cent during the past decade. The rapid growth in self-employed working alone is not a phenomenon unique to BC. Often, a small business begins with a sole proprietor, who typically runs the business from home and hires staff once the business expands.

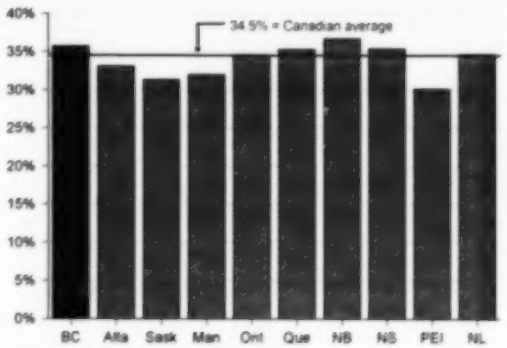
The self-employed have a different profile than employees

Self-employed people, on average, have a propensity to be older, are more often men, work longer hours and are less likely to be Aboriginal peoples compared to workers who are employees.

More than half (56 per cent) of the self-employed in BC are between the ages of 35 and 54 while 46 per cent of people in this age category work as paid employees. Younger people are more likely to be employees, rather than entrepreneurs. While 41 per cent of employees are under the age of 35, only 18 per cent of self-employed business owners fit this description. Conversely, 27 per cent of entrepreneurs are aged 55 and over, compared to only 13 per cent of employees.

While workers who are employees are equally likely to be men or women, those who are self-employed are more often men. Last year in British Columbia, almost two-thirds (64 per cent) of the self-employed were men. However, as in the rest of the country, women in British Columbia are making some important strides in terms of business ownership. Among the provinces, British Columbia is second only to New Brunswick (37 per cent) in terms of having the highest proportion of small business owners who are women. A little less than 36 per cent of all small businesses in British Columbia are owned and operated by women, compared to a Canadian average of less than 35 per cent.

Proportion of self-employed who are women, 2007

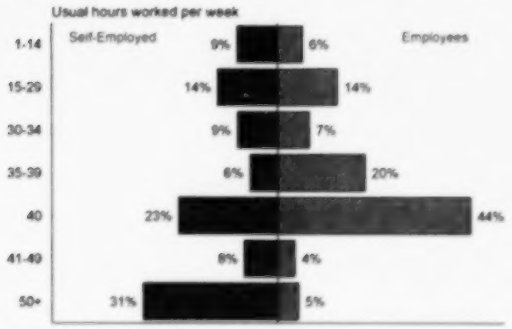


Source: Statistics Canada / Prepared by BC Stats

Aboriginal peoples living off-reserve remain significantly less likely to be self-employed than non-Aboriginals. Approximately 13.7 per cent of off-reserve Aboriginal peoples in British Columbia were self-employed last year, compared to 18.9 per cent of non-Aboriginal peoples.

There is also significant disparity between self-employed and employees in terms of the number of hours worked per week. On average, the self-employed have much longer work days than do employees. While the majority of employees work between 35 and 40 hours per week (64 per cent), just 29 per cent of the self-employed fit in this category. Conversely, thirty-one percent of self-employed people in British Columbia worked exceptionally long hours (over 49 hours per week) last year compared to only five per cent of employees.

Self-employed tend to work longer hours—British Columbia, 2007



Source: Statistics Canada / Prepared by BC Stats

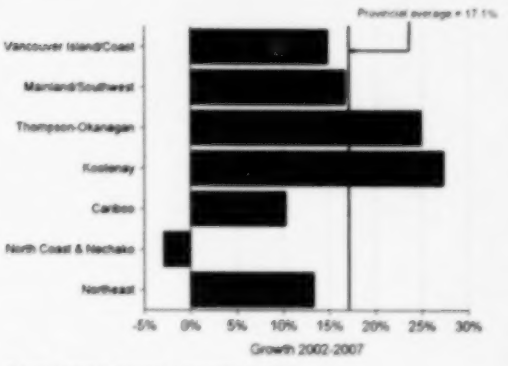
Regional small business growth in BC

The Northeast region of the province has had strong economic growth in recent years, mainly as a result of activity in the oil and gas sector, and this has been reflected in rising numbers of small businesses and small business employment within the area.

The average annual growth rate for Northeast was 7.3 per cent between 2002 and 2007, translating to an average increase of 400 businesses per year. At 4.7 per cent growth, the Kootenay region was second in terms of average annual growth adding an impressive average of 600 net new small businesses per year. In terms of actual numbers, Mainland/Southwest (+1.5 per cent or 3,000 establishments) and Vancouver Island/Coast (+1.8 per cent or 1,100 establishments) added the most new businesses to the province.

Six of British Columbia's regions recorded substantial growth in self-employment between 2002 and 2007. The Kootenay region led the province recording a robust 27.3 per cent increase over the five-year period. However, this was just 2.4 percentage points higher than the next fastest growing region, Thompson-Okanagan, at 24.9 per cent. The only region to record a decline was North Coast/Nechako, with 2.9 per cent fewer self-employed over the last five years.

Self-employment growth rate is highest in Kootenay



Source: Statistics Canada / Prepared by BC Stats

Clearly, small business plays a crucial role in the economy of British Columbia, not only in terms of its contribution to economic output, but also by providing an abundance of jobs for British Columbians. As the provincial economy continues to diversify, the importance of small business will continue to grow.

REGISTRATION FORM:

This information will appear on your ID badge, please print clearly.

Name: _____

Title: _____

Organization: _____

Address: _____

City: _____

Postal Code: _____

Telephone: _____

Fax: _____

E-mail: _____

Method of Payment:

Cheque_____

(Payable to the Receiver General of Canada)

Visa____ M/C____ Amex_____

Amount $ (including GST):_____

Cardholder:_____

Card No:_____

Expiry Date: _____

Signature: _____

For Federal Government Employees:

Department No.: _____

IS Organization code: _____

IS Reference No.: _____

FEES:

Early Bird Rate:$199 per person
+ 5% GST ($9.95) = $208.95
(for registrations received by Monday February 2, 2009)

Regular Rate: $249 per person
+ 5% GST ($12.45) = $261.45

Registration fees include continental breakfast, a lunch buffet, and refreshments.

Cancellation policy: Substitutes are permitted; however, no refunds will be given for cancellations.

Please send your completed registration form by one of the following ways:

FAX: in Vancouver 604-666-6680
or toll free to 1-877-287-4369

EMAIL:
registrar@diversitymattersconference.ca

MAIL: Registrar,
Statistics Canada,
Suite 600, 300 West Georgia Street,
Vancouver, BC, V6B 6C7

PHONE: in Vancouver 604-666-1851
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Diversity Matters

A one-day conference bringing you the latest statistical information on immigration and diversity for Canada, British Columbia, and Metro Vancouver

DATE & VENUE:

Monday February 23, 2009
8:00 a.m. - 4:00 p.m.
Sheraton Wall Centre,
1088 Burrard Street
Vancouver, BC

www.diversitymattersconference.ca

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Diversity Matters

Statistics Canada and our conference partners* would like to welcome you to **Diversity Matters**, a one-day conference featuring a panel of experts who will present on the changes, trends and implications of ethno-cultural diversity and immigration at the national, provincial and regional levels.

The conference also includes panel discussions, Q & As, information booths and demonstrations on how to access the wealth of free information available on Statistics Canada's website: www.statcan.gc.ca.

** Conference partners include BC Stats, WelcomeBC, the Government of Canada's Foreign Credential Recognition Program and Multiculturalism Program.*

Why is the conference important?

Good statistics are the foundation of a well-functioning country. They allow businesses, non-profit organizations as well as individual Canadians to make informed decisions, and government of all levels to develop appropriate policies.

Our panel of experts will draw from a wide array of data sources to bring you up-to-date on important information such as:

- 2006 Census highlights on immigration, language, ethnic origin and visible minorities
- Profiles of main ethnic communities
- The changing diversity composition of the population across sub-provincial regions within BC
- Implications of diversity and future projections
- Social, economic and labour market integration of immigrants
- Attracting immigrants to smaller centres

CONFERENCE PARTNERS:

BC Stats
Welcome BC

CONFERENCE SPEAKERS:

Keynote Speaker:

The Honourable Wally Oppal,
B.C. Attorney General and Minister Responsible for Multiculturalism

Presenters:

Anil Arora, Assistant Chief Statistician, Social, Institutions and Labour Statistics Field, Statistics Canada

Tina Chui, Chief, Ethnocultural and Immigration Section, Social and Aboriginal Statistics Division, Statistics Canada

David O'Neil. Director, Population Statistics, BC Stats

Andrew Ramlo, Director, Urban Futures

Professor Dan Hiebert, Co-Director, Metropolis BC, Center of Excellence for Research on Immigration and Diversity

Jean McRae, Executive Director, Inter-Cultural Association of Greater Victoria

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Infoline

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Issue 08–48

Email transmission information service from BC Stats

also on the Internet at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Jul 1/08	% change on one year ago
BC	4,381.6	1.7
Canada	33,311.4	1.2
GDP and INCOME (Revised Nov 6)		
(BC - at market prices)	2007	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	192,528	5.4
GDP *($ 2002 millions)*	164,583	3.0
GDP *($ 2002 per Capita) (reflects revised pop)*	38,184	1.4
Personal Disposable Income *($ 2002 per Capita)*	25,282	3.1
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Sep	3,412	2.3
Merchandise Exports - Sep	2,882	-0.7
Retail Sales - Sep	4,814	1.0
CONSUMER PRICE INDEX	% change on	12-month avg
(all items - Oct 2008)	one year ago	% change
BC	2.5	2.1
Vancouver	2.7	2.3
Victoria	2.6	1.7
Canada	2.6	2.5
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Oct '08	prev. month
Labour Force - BC	2,434	0.1
Employed - BC	2,311	-0.4
Unemployed - BC	123	10.1
		Sep '08
Unemployment Rate - BC *(percent)*	5.1	4.6
Unemployment Rate - Canada *(percent)*	6.2	6.1
INTEREST RATES (percent)	Nov 26/08	Nov 28/07
Prime Business Rate	4.00	6.25
Conventional Mortgages - 1 year	6.35	7.20
- 5 year	7.20	7.39
US-CANADA EXCHANGE RATE	Nov 26/08	Nov 28/07
(avg. noon spot rate) Cdn $ per US $	1.2342	0.9908
(closing rate) US $ per Cdn $	0.8129	1.0141
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Oct '08	one year ago
BC	795.65	6.2
Canada	793.76	3.9

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

Data and Health Mapping Browser

A new thematic mapping tool on our site will display a wide selection of BC Stats' data holdings. For a fee, BC Stats can create similar mapping tools for your organization using your own data for display on our site.

www.bcstats.gov.bc.ca/data/pop/maps/browsers.asp

2008 Small Business Profile

The 2008 edition of the Small Business Profile is now available. This report offers information on small business in British Columbia, including counts of establishments, employment, revenue, GDP and exports.

www.bcstats.gov.bc.ca/data/bus_stat/busind/sm_bus.asp#sbp

2008 High Technology Input Indicators

The 2008 edition of the Input Indicators of the British Columbia High Technology Sector is now available. This report looks at the inputs to high tech and can be considered a companion report to the Profile of the BC High Technology sector, which examines the sector's outputs.

www.bcstats.gov.bc.ca/data/bus_stat/busind/hi_tech.asp

Released this week by BC Stats

- Business Indicators, November 2008
- Current Statistics, November 2008

Next week

- Tourism Sector Monitor, November 2008
- Labour Force Statistics, October 2008
- Earnings & Employment Trends, October 2008

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